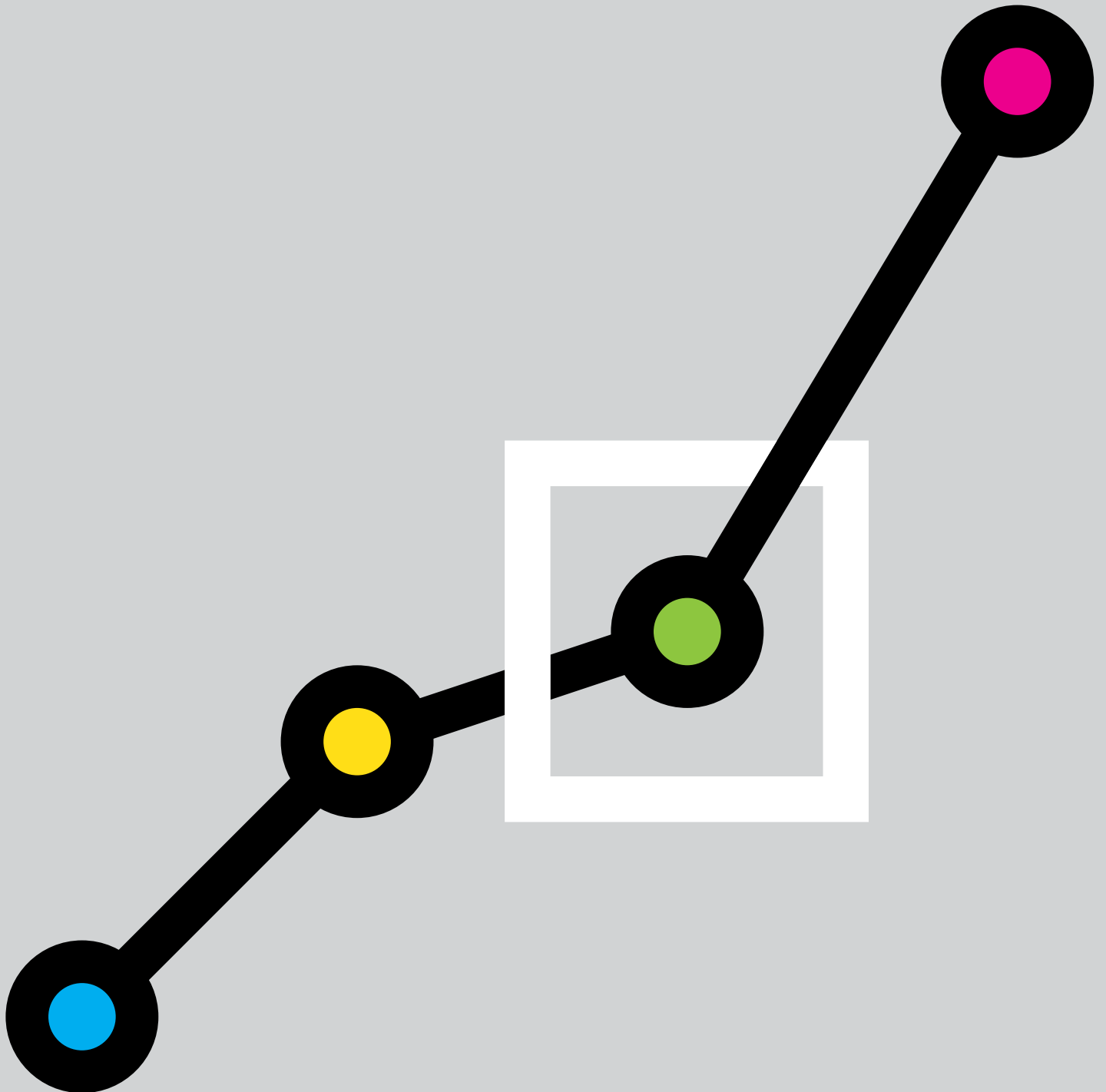


Future Trends Survey:

January 2025



The RIBA's monthly Future Trends Survey

was launched in January 2009 to monitor business and employment trends affecting the architects' profession. Participants give monthly predictions for overall workload and staffing levels over the next three months, and are also asked about their workload predictions in key sectors: private housing, commercial, community and public sector. In addition, practices are asked about their current workload and staffing levels. The Survey is carried out by the RIBA in partnership with the Fees Bureau. Results of the Survey, including a full graphical analysis, are published each month on www.architecture.com

RIBA Future Trends January 2025: Overview

How do you expect the architectural workload in the organisation you work in or own to change over the next three months?

Overall Expect	%
Decrease	24
Stay the same	53
Increase	23
TOTAL	100
Balance	-2

(The definition for the balance figure is the difference between those expecting more work and those expecting less.)

* 'Increase' minus 'Decrease' does not equal the 'Balance' figure due to rounding.

As 2025 begins, the profession's outlook for future work remains downbeat but is improving slowly.

January's RIBA Workload Index rose three balance points to -2, following December's figure of -5.

A negative balance indicates an overall expectation among architects that workloads will decrease in the coming three months.

Twenty-three per cent of architects' practices anticipate an increase in workloads over the next three months, while 24% expect a decline. Fifty-three per cent expect workloads to remain stable.

Most regions have seen some improvement in outlook, with the capital becoming optimistic about future workloads.

The outlook across the four monitored work sectors has diverged. The outlook for the housing sector has improved, but all other sectors have deteriorated.

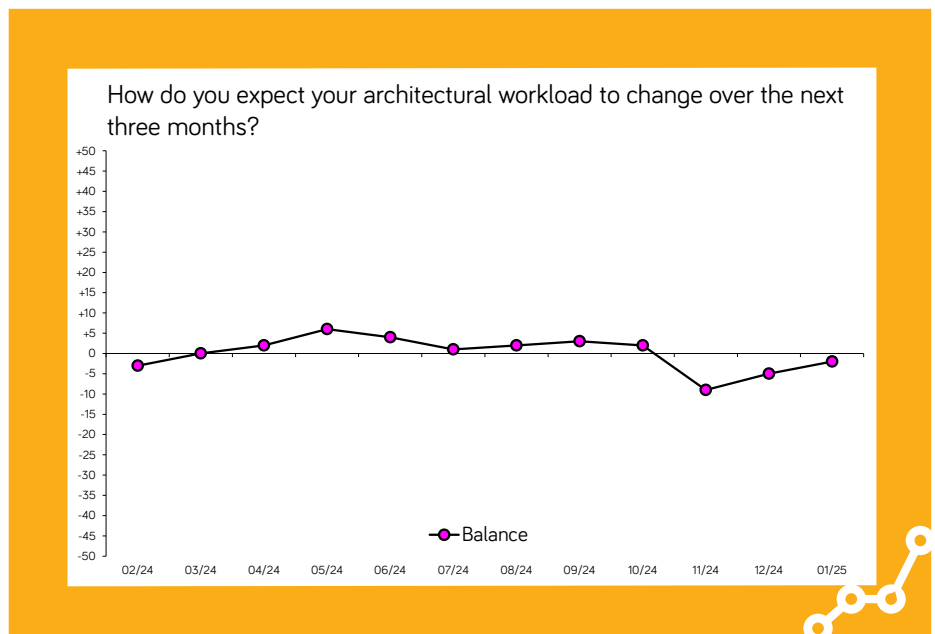
Current workloads remain lower than they were a year ago. The average practice workload has decreased by 10% compared with twelve months ago.

At -4, the RIBA Permanent Staffing Index shows that practices are increasingly cautious about recruitment. However, on average, staff levels are reported to be around the same level as last year, despite a challenging twelve months.

The following graph plots the RIBA Future Workload index over time:

Notes

The balance figure is plotted here. The definition for the balance figure is the difference between those expecting more work and those expecting less.



**RIBA Future Trends January 2025:
Workload Index: Analysis by Practice Size,
Region, and Sector.**

In January the outlook for **small practices** (1 - 10 staff) remained negative but recovered slightly. The -5 small practice balance figure is up 4 points from last month's -9. Twenty-one per cent of small practices anticipate an increase in workloads, 25% expect a decrease, and 54% anticipate stability.

The outlook for **large (51+ staff) and medium-sized practices** (11 -50 staff) remains positive, with a combined Workload Index of +32. Forty-five per cent expect workload growth, 14% anticipate contraction, and 41% expect steady workloads.

While remaining subdued, the **regional outlook*** has improved overall.

London's outlook has seen a marked improvement this month, with a workload Index of +10, following a zero balance in December. The North of England also anticipates increasing workloads, although the outlook has moderated from +21 in December to +8 in January.

Although remaining negative, the outlook for Wales and the West has improved again this month, rising from -24 to -12. The outlook for the Midlands & East Anglia has also improved, up from -22 last month to -10 in January.

The South of England has seen a deterioration in outlook, falling from -3 last month to -10 in January.

The **sectoral outlook** remains pessimistic as practices expect workloads to fall in three of the four monitored sectors.

The outlook for the **commercial sector** has softened, with a Workload Index figure of -8 this month, down from -4 last month.

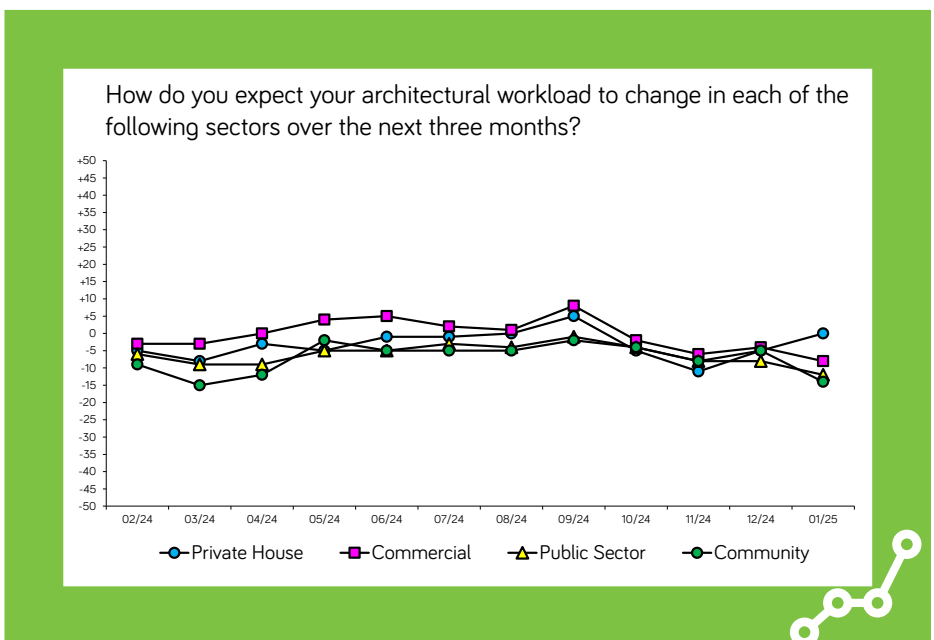
Workload expectations for the **community sector** have deteriorated, with a fall of 9 balance points, from -5 in December to -14 in January.

The outlook for the **public sector** has also deteriorated, with a Workload Index of -14, down from -5 last month.

More encouragingly, the **private housing** sector has continued its recovery. Following a -5 Index figure last month and -11 the month before, the housing index now stands at zero, with as many practices expecting housing workloads to grow as contract.

This month, we have revised our data collection methodology, requesting practices to evaluate future workloads across all regions in which they work rather than solely in the region in which they are based.

The following graph tracks the sector predictions in the RIBA Future Trends Survey over time:



**RIBA Future Trends January 2025:
Staffing Index.**

How do you think the number of permanent architectural staff employed in your organisation will change over the next three months?

Permanent Staff	%
Decrease	12
Stay the same	80
Increase	8
TOTAL	100
Balance	-4

(The definition for the balance figure is the difference between those expecting to employ more permanent staff in the next three months and those expecting to employ fewer.)

After returning a positive balance figure in December, the **RIBA Future Trends Permanent Staffing Index** is again negative, at -4.

On balance, practices are more likely to expect a reduction in permanent staffing levels than an increase. Eight per cent of practices anticipate an increase in permanent staff in the coming three months, 12% expect a reduction, and 80% expect no change.

For context, staffing levels are reported to be at, on average, 99% of 12 months ago, the highest percentage level since March 2024.

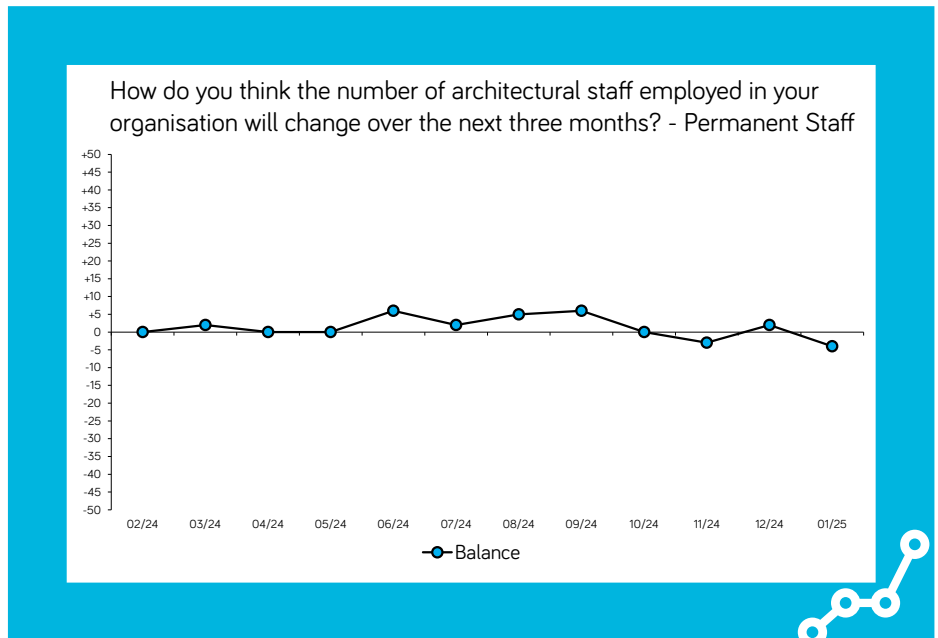
The staffing outlook for the capital remains positive at +2. All other regions anticipate falling staffing levels, with the Midlands & East Anglia returning a -12 balance, the North of England -6, Wales & the West -5, and the South of England -4.

Small and medium-sized practices expect permanent staffing levels to grow, while small practices (those with 10 or fewer staff) expect them to fall.

The **RIBA Temporary Staffing Index** has also fallen this month, returning a balance of -6, compared with -1 in December.

The following graph plots the RIBA Future Trends Staffing Index over time:

Notes
The balance figure is plotted here. The definition for the balance figure is the difference between those expecting to employ more permanent staff in the next three months and those expecting to employ fewer.



RIBA Future Trends January 2025: Commentary.

In the context of an under-performing economy and global uncertainty, the architects' market remains challenging. The profession remains pessimistic about future work.

For the third consecutive month, the RIBA Future Workload Index is negative, indicating that practices continue to anticipate workloads falling in the near term. Most sectors and regions anticipate falling workloads.

Expectations for future staffing levels are also negative, with practices reporting that coming changes in employer National Insurance Contributions (NICs) are dampening recruitment plans.

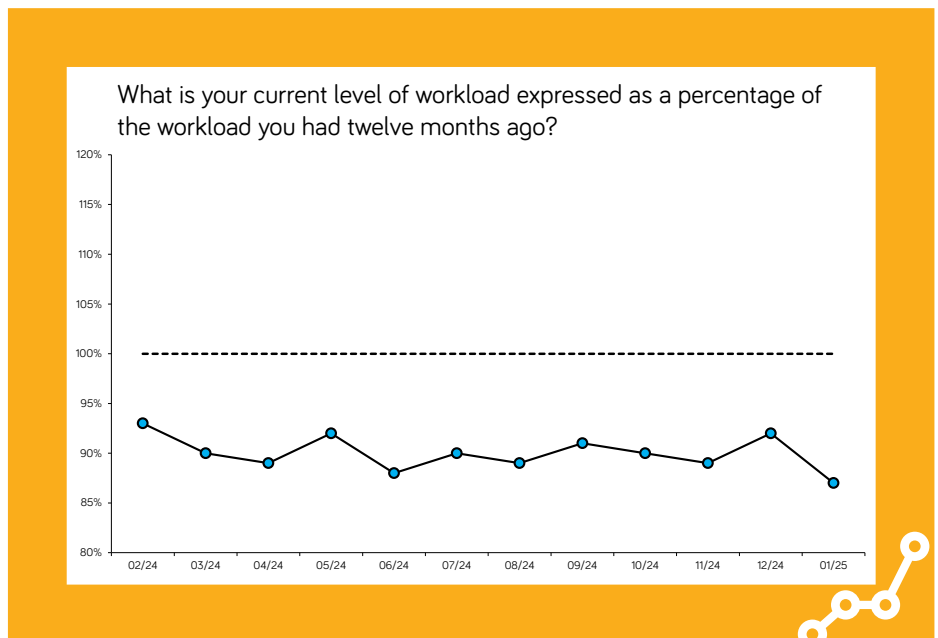
Nevertheless, this month's report does provide some cause for optimism. The Workload Index has risen for the second successive month, workloads are expected to grow in the capital, the outlook for the housing sector is no longer negative, and staffing levels held steady through a difficult 2024.

Commentary received from practices in January reflects a weak architectural market, with continued reports of intense fee competition, a lack of new enquiries, and insufficient work in the pipeline. The slow progress of planning applications still restricts project progress.

Practices report planned increases in NICs making future recruitment less likely and lessening the scope for staff pay rises. Some are considering redundancies.

Practices also describe policy and regulation changes negatively affecting workloads, including changes to the Building Regulations, the Listed Places of Worship VAT rebate Grant Scheme, and High-Risk Building procedures.

Nevertheless, some practices describe thriving businesses, with some noting strong demand for office projects, ongoing work from established clients, growing opportunities overseas, and an anticipation of an improving market this year.



The RIBA Future Trends Survey is based on a representative sample of the range of different practice sizes and geographical locations which enables analysis of the trends in sectors, size groups and by nation and region.

A total of 183 practices took part in the Survey in January 2025. The development of a larger database of respondents will increase the statistical accuracy of the survey, and if your practice would like to participate in future months, please contact the RIBA Practice

Department on 020 7307 3749 or email practice@riba.org. The survey takes approximately five minutes to complete each month, and all returns are independently processed in strict confidence by our partners The Fees Bureau.